

**REMARKS**

Upon entry of this amendment, claims 1-21 will be pending. By this amendment, claims 1, 10, 11, 13, 15-16, and 18 have been amended. No new matter has been added.

Applicants respectfully request reconsideration of claims 1-21 in view of the claim amendments and remarks below, and submit that all pending claims are presently in condition for allowance.

**Claim Objections**

On page 3 of the office action dated December 7, 2009 ("the Office Action"), claims 10, 11 and 13 stand objected to for informalities.

Claims 10, 11 and 13 have been amended to address the objections.

**§101 Rejection of Claims 1-21**

On page 3 of the Office Action, claims 1-21 stand rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. This rejection is respectfully traversed.

According to the Interim Examination Instructions for Evaluating Subject Matter Eligibility Under 35 U.S.C §101 issued by the Acting Deputy Commissioner on August 24, 2009, there "are two criteria for determining subject matter eligibility and both must be satisfied. The claimed invention (1) must be directed to one of the four statutory categories, and (2) must not be wholly directed to subject matter encompassing a judicially recognized exception.

As for step 1, the “subject matter of the claim must be directed to one of the four subject matter categories.” Namely, “i. Process — an act, or a series of acts or steps that are tied to a particular machine or apparatus or transform a particular article into a different state or thing. ii. Machine — a concrete thing, consisting of parts, or of certain devices and combination of devices. This includes every mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result. iii. Manufacture — an article produced from raw or prepared materials by giving to these materials new forms, qualities, properties, or combinations, whether by handlabor or by machinery. iv. Composition of matter — all compositions of two or more substances and all composite articles, whether they be the results of chemical union, or of mechanical mixture, or whether they be gases, fluids, powders or solids, for example.” It is submitted that claim 1 refers to various hardware components (or machines that are concrete thing, consisting of parts, or of certain devices and combination of devices) including “first hub network”, “first server”, “second server”, “first client”, “second client”, “first hub network and said second hub network overlap”, and “first server is connected to said first client and said second client”.

As for step 2, the Instructions indicate that “claims [must] not [be] directed to one of the statutory categories: i. Transitory forms of signal transmission (for example, a propagating electrical or electromagnetic signal *per se*). ii. A naturally occurring organism. iii. A human *per se*. iv. A legal contractual agreement between two parties. v. A game defined as a set of rules. vi. A computer program *per se*. vii. A company.” It is maintained here and further explained below that claim 1 is not directed to a computer

program *per se*, but rather it is directed to a network having a combination of hardware and software.

Regarding claim 1, it recites: A network comprising:

- (a) a first hub network including a first server, a first client, and a second client,
- (b) wherein said first server is connected to said first client and said second client;
- (c) a second hub network including a second server and said first client, and said second server is connected to said first client, such that said first hub network and said second hub network overlap,
- (d) wherein two hub networks overlap when both of the hub networks include at least one same device;
- (e) wherein said first client stores first content bound to said first hub network and stores second content bound to said second hub network, and
- (f) wherein content bound to a hub network is represented by locked content data and corresponding licenses stored on a server connected to the hub network, and the bound content can only be played or presented through a compatible compliant device that is bound to the hub network,
- (g) wherein said second client connected to said first server and bound to said first hub network can play or present the first content bound to said first hub network, but cannot play or present the second content bound to said second hub network, and
- (h) wherein a compliant device operates according to processes defined for a device that is a member of a hub network and cannot make a usable copy of a discrete instance.

(Limitation designators and emphasis added for easy reference)

The Office Action (on top of Page 3) states that “Examiner respectfully disagrees that the claims recite hardware components. The claims recite a network comprising a client and one or more servers. Applicant’s specification describes a hub network includes devices and that each device in the hub network is a server, client, or both (page 14, lines 11-12). Applicant specification further describes that device in the media network environment is software and that implementations of the invention are realized in computer software (page 13, lines 30-31, page 54, lines 7-8). Furthermore, the claimed client and servers do not comprise any functional hardware, and client and servers themselves may be considered as software.” However, Applicants respectfully disagree with the Examiner regarding the interpretation of the claim language in light of the specification, and specifically, Applicants disagree with a statement that claimed clients and servers do not comprise any function hardware, and client and servers themselves may be considered as software.

Contrary to the Examiner’s assertion, the specification (on page 54, lines 7-8) states that “various implementations of the invention are realized in electronic hardware, computer software, or combinations of these technologies.” Regarding all limitations of amended claim 1, those limitations include references to hardware components including “first hub network”, “first server”, “second server”, “first client”, “second client”, “first hub network and said second hub network overlap”, and “first server is connected to said first client and said second client”.

Claim 1 itself is direct to a network “wherein said second client connected to said first server and bound to said first hub network can play or present the first content

bound to said first hub network, but cannot play or present the second content bound to said second hub network". Therefore, claim 1 is implemented as a combination of hardware and software. The concept of "bound content" requires the client bound to a hub network to stay connected to a server also bound to the same hub network.

Accordingly, the hardware components recited in claim 1 are functionally necessary and cannot be implemented as software. The limitations of claim 1 that can be implemented as software include "binding" the content to a hub network, "storing" corresponding licenses on a server connected to the hub network, and "playing or presenting" the bound content through a compatible compliant device that is bound to the hub network.

Accordingly, it is submitted that the rejection of claims 1-21 based upon 35 U.S.C. §101 has been overcome by the present remarks and withdrawal thereof is respectfully requested.

#### §103 Rejection of Claims 1-11 and 13-21

On page 4 of the Office Action, claims 1-11 and 13-21 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Elabbady et al. (U.S. Patent No. 7,483,958; hereinafter referred to as "Elabbady"), in view of Peinado (U.S. Patent No. 7,073,063; hereinafter referred to as "Peinado").

The Office Action cites Col. 7, lines 53-61 and col. 10, lines 41-63 of Elabbady to indicate that Elabbady shows the concept of "bound content" of present claim 1:

[Col. 7, lines 50-67] It is preferred that media content sharing environment 200 be configured to provide appropriate protection for copyrighted media content that may be shared between the various networked devices.

Thus, in accordance with certain implementations of the present invention, media LS 207 employs a media content license scheme that essentially requires that a proper license exists to process/play the media content. The media content license may be associated with an individual media content file or with multiple media content files. The media content license may also or alternatively be associated with a specific media holding/playing device or with multiple media holding/playing devices. The media content license may also or alternatively be associated with a specific entity or with multiple entities (e.g., groups). The term "entity" is meant to represent any identifiable account, user, group, organization, company, etc., that may in some way seek to use a device to hold and/or play or otherwise process media content.

[Col. 10, lines 39-63] Client 316 has now received the selected media content file from device 206 over network 204 (e.g., FIG. 2A). In act #9, the media content file is provided to a media decoder/player function 324, which attempts to decode the file and play it. If media decoder/player function 324 does not have a necessary license for the media content file, should it be protected, then in act #10 a corresponding license request is initiated by license client 326. License client 326 request a media playing license from a license generator 312 of network device manager 302 of device 202. ... If the license generator is satisfied that device 300 is properly registered, then in act #14, license generator 312 requests a license from a DRM client 316. DRM client 316 determines if a license is available and returns the license to license generator 312. License generator 312 then provides the license to license client 326, in act #15. The license is then provided to media decoder/player 324, which can then proceed with the decoding and playing of the media content file.

(Emphasis added for easy reference)

The Office Action further states that "media content file is protected and license on media sharing device is needed to play. License may be associated with device. Determine that device 300 is registered."

Therefore, Elabbady “employs a media content license scheme that essentially requires that a proper license exists to process/play the media content.” It seems the license associated with the content or with a specific entity or with multiple entities (e.g., groups), wherein the term “entity” is meant to represent any identifiable account, user, group, organization, company, etc., that may in some way seek to use a device to hold and/or play or otherwise process media content. However, the Elabbady’s license scheme requires the media device to check the license that is associated with the content or entity before playing the content.

In contrast, the “bound content” concept of the present claims “binds” the content to a particular hub network by storing the license for the content and the content itself in a storage device residing within the particular hub network. Once the content is “bound” to the particular hub network, any compatible compliant device that is bound to that particular hub network can play or present the content on the device.

Amended claim 1, for example, recites:

A network comprising:

- (a) a first hub network including a first server, a first client, and a second client,
- (b) wherein said first server is connected to said first client and said second client;
- (c) a second hub network including a second server and said first client, and said second server is connected to said first client, such that said first hub network and said second hub network overlap,
- (d) wherein two hub networks overlap when both of the hub networks include at least one same device;

- (e) wherein said first client stores first content bound to said first hub network and stores second content bound to said second hub network, and
- (f) wherein content bound to a hub network is represented by locked content data and corresponding licenses stored on a server connected to the hub network, and the bound content can only be played or presented through a compatible compliant device that is bound to the hub network,
- (g) wherein said second client connected to said first server and bound to said first hub network can play or present the first content bound to said first hub network, but cannot play or present the second content bound to said second hub network, and
- (h) wherein a compliant device operates according to processes defined for a device that is a member of a hub network and cannot make a usable copy of a discrete instance.

(Limitation designators and emphasis added for easy reference)

Regarding limitations (f) and (g) of claim 1, they recite that “content bound to a hub network is represented by locked content data and corresponding licenses stored on a server connected to the hub network, and the bound content can only be played or presented through a compatible compliant device that is bound to the hub network” and that “said second client connected to said first server and bound to said first hub network can play or present the first content bound to said first hub network, but cannot play or present the second content bound to said second hub network.”

These limitations are disclosed in at least Paragraphs [0062] and [0072] of the specification as published in US 2004/0117440. These paragraphs are recited here as follows:



[0062] When a media network environment includes two or more hub networks, some or all of the hub networks may overlap. *Two hub networks overlap when both of the hub networks include the same device or devices.* A device belonging to two hub networks spans the hub networks and is a spanning device. A spanning device stores (or can store) content data for instances bound to each of the hub networks. Accordingly, the spanning device can present content bound to multiple respective hub networks (a bound instance is bound to only one hub network)....

[0072] The storage device 1730 is connected to the server device 1715 (e.g., is inserted into a port) and so can exchange data with the server device 1715. Accordingly, the storage device 1730 and the server device 1715 can exchange discrete instances. The storage device 1730 is connected to the player device 1735 and the player device 1735 can present non-compliant copies of content data stored in the storage device 1730. Because the player device 1735 is a non-compliant device, the player device 1735 cannot play or present compliant content data stored on the storage device 1730. The storage device 1730 cannot make usable copies from discrete instances stored on the storage device 1730.

Therefore, in reading claim 1 in light of the specification, the “bound content” concept of claim 1 “binds” the content to a particular hub network by storing the license for the content and the content itself in a storage device residing within the particular hub network, in contrast to the Elabbady’s license scheme which requires the media device to check the license that is associated with the content or entity before playing the content. Further, in contrast to the Elabbady’s license scheme, claim 1 allows any compatible compliant device that is bound to that particular hub network to play or present the content on the device, once the content is “bound” to the particular hub network.

Regarding limitation (h) of claim 1, it recites “wherein a compliant device operates according to processes defined for a device that is a member of a hub network and cannot make a usable copy of a discrete instance.”

This limitation is disclosed in at least Paragraph [0030] of the specification as published in US 2004/0117440. This paragraph is recited here as follows (emphasis added):

[0030] As discussed below, an instance that is compliant with hub network operation is in one of two exclusive states: discrete or bound. A discrete instance is independent of any hub network and can be played or presented through any compliant device (according to the license of the discrete instance). However, *a compliant device cannot make a usable copy of a discrete instance. ... A bound instance can only be played or presented through a compatible compliant device that is a member of that hub network. ...*

The Office Action states that Peinado teaches this limitation in col. 2, lines 40-43; col. 17, lines 9-15; col. 17, lines 51-56; col. 37, lines 15-21; and col. 38, lines 39-52.

The quoted passages are recited here:

[col. 2, lines 40-43] As but one example, such a trusted software component prevents a user of the computing device from making a copy of such digital content, except as otherwise allowed for by the content owner thereof.

[col. 17, lines 9-15] In particular, the license evaluator 36 determines whether the requesting user has the right to play the requested digital content 12 based on the rights description in each license 16 and based on what the user is attempting to do with the digital content 12. For example, such rights description may allow the user to render the digital content 12 into a sound, but not into a decrypted digital copy.

[col. 17, lines 51-56] For example, the content owner of such digital content 12 may have directed that no license 16 be granted to allow a user to print a text document, or to copy a multimedia presentation into an un-encrypted form.

[col. 37, lines 15-21] ... the portable device 62 at the appropriate time by application of the black box private key of the portable device 62 (PR-BB-PD), and the sub-license 16s is therefore tied or bound to the portable device 62. As should be appreciated, without re-encrypting the content key (KD), the portable device 62, which would not know (PR-BB-CO), would not be able to decrypt (PU-BB-CO (KD)) to obtain (KD).

In contrast to limitation (h) of claim 1, which states that “a compliant device operates according to processes defined for a device that is a member of a hub network and cannot make a usable copy of a discrete instance,” wherein a discrete instance is independent of any hub network, the above-recited passages merely disclose that “a trusted software component prevents a user of the computing device from making a copy of such digital content, except as otherwise allowed for by the content owner” through the use of a license. These passages do not include a concept of a “discrete instance” of content.

Based on the foregoing discussion, as well as arguments presented in response to the previous office actions, claim 1 should be allowable over the combination of Elabbady and Peinado. Regarding independent claims 15, 16, and 18, similar arguments as those of claim 1 apply to these claims. Therefore, claims 15, 16, and 18 should also be allowable over the combination of Elabbady and Peinado. Since claims 2-11, 13-14, 17, and 19-21 depend from one of claims 1, 16, and 18, claims 2-11, 13-14, 17, and 19-21 should also be allowable over the combination of Elabbady and Peinado.

Accordingly, it is submitted that the rejection of claims 1-11 and 13-21 based upon 35 U.S.C. §103(a) has been overcome by the present remarks and withdrawal thereof is respectfully requested.

§103 Rejection of Claim 12

On page 17 of the Office Action, claim 12 stands rejected under 35 U.S.C. 103(a) as being unpatentable over Elabbady and Peinado, in view of Rofheart et al. (U.S. Patent No. 7,058,414; hereinafter referred to as "Rofheart").

Rofheart is merely cited for teaching "defining an environment for a network by travel time of packets with a network." Even assuming arguendo that Rofheart teaches this limitation, the combination of Elabbady, Peinado, and Rofheart fails to disclose the above-discussed limitations of claim 1. Therefore, claim 12 should be allowable over the combination of Elabbady, Peinado, and Rofheart.

Accordingly, it is submitted that the rejection of claim 12 based upon 35 U.S.C. §103(a) has been overcome by the present remarks and withdrawal thereof is respectfully requested.

**Conclusion**

In view of the foregoing, applicants respectfully request reconsideration of claims 1-21 in view of the remarks and submit that all pending claims are presently in condition for allowance.

In the event that additional cooperation in this case may be helpful to complete its prosecution, the Examiner is cordially invited to contact Applicant's representative at the telephone number written below.

Respectfully submitted,

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